

***United States Court of Appeals
for the Second Circuit***



APPENDIX

ORIGINAL

76-4110

**United States Court of Appeals
For the Second Circuit**

SAMUEL H. SLOAN,

Petitioner

-against-

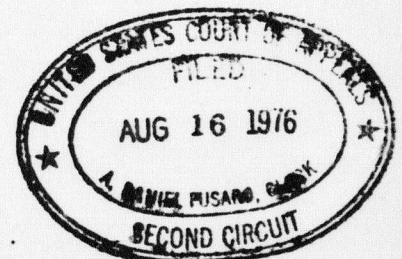
SECURITIES & EXCHANGE COMMISSION,

Respondent.

Appendix

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PAGINATION AS IN ORIGINAL COPY

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UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
APR 29 1975

001

In the Matter of Trading in Securities :

of :

CANADIAN JAVELIN, LTD. :

File No. 500-1 :

NOTICE OF
SUSPENSION
OF TRADING

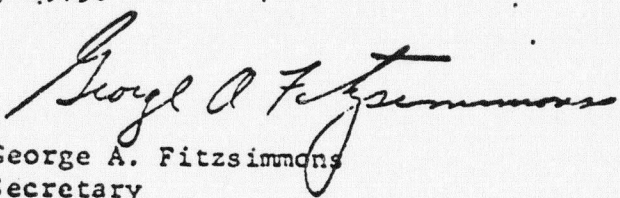
Securities Exchange Act of 1934
Section 19(a)(4) and 15(c)(5) :

The common stock of Canadian Javelin, Ltd.
being traded on the American Stock Exchange
pursuant to provisions of the Securities Exchange Act of 1934 and
all other securities of Canadian Javelin, Ltd.
being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission
that the summary suspension of trading in such securities on such
exchange and otherwise than on a national securities exchange is
required in the public interest and for the protection of investors;

THEREFORE, pursuant to Sections 19(a)(4) and 15(c)(5) of the
Securities Exchange Act of 1934, trading in such securities on the
above mentioned exchange and otherwise than on a national securities
exchange is suspended, for the period from 3:45 P.M. (EDT) on April 29,
1975 through midnight (EDT) on May 8, 1975.

By the Commission.


George A. Fitzsimmons
Secretary

INFORMATIONAL MEMORANDUM

May 2, 1975

TO: The Commission

FROM: Division of Enforcement *EPD*

SUBJECT: Canadian Javelin Limited
HO-815

On April 29, 1975, ~~_____~~, the Commission approved a 10 day suspension of trading in the common stock of Canadian Javelin Limited ("Canadian Javelin") and issued an order of investigation concerning allegations of manipulative activities by insiders of Canadian Javelin.

The staff informed the Commission that the Royal Canadian Mounted Police ("RCMP") advised that they are conducting an extensive investigation into what they believe to be a manipulation of Canadian Javelin's common stock on several Canadian stock exchanges as well as the American Stock Exchange. They have also indicated that several United States residents and broker-dealers may also be involved in the manipulation.

The trading suspension was prompted by the RCMP's having informed us that they were in the process of executing more than 40 search warrants in connection with their investigation of this matter. The suspension was sought pending an announcement by Canadian Javelin concerning the investigation by the Canadian authorities.

DPDoherty, Assistant Director	(x 51246)
RGRyan, Branch Chief	(x 51469)
JILevine, Special Investigator <i>JL</i>	(x 51468)

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
MAY 8 1975

003

In the Matter of Trading in Securities

of
CANADIAN JAVELIN, LTD.

File No. 500-1

NOTICE OF
SUSPENSION
OF TRADING

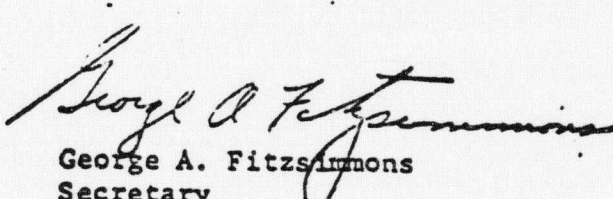
Securities Exchange Act of 1934
Section 19(a)(4) and 15(c)(5)

The common stock of Canadian Javelin, Ltd.
being traded on the American Stock Exchange
pursuant to provisions of the Securities Exchange Act of 1934 and
all other securities of Canadian Javelin, Ltd.
being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission
that the summary suspension of trading in such securities on such
exchange and otherwise than on a national securities exchange is
required in the public interest and for the protection of investors;

THEREFORE, pursuant to Sections 19(a)(4) and 15(c)(5) of the
Securities Exchange Act of 1934, trading in such securities on the
above mentioned exchange and otherwise than on a national securities
exchange is suspended, for the period from May 9, 1975 through May 18, 1975.

By the Commission.


George A. Fitzsimmons
Secretary

MEMORANDUM

FILE NO.: HO-815

DATE: May 6, 1975

TO : The Commission

FROM : Division of Enforcement *DIF*

RE :

DATE FILED :

AMENDED :

SUBJECT : Canadian Javelin Limited

RECOMMENDATION:

[REDACTED]

[REDACTED]

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

This suspension began on April 29, 1975 (see attached memorandum). On May 5, 1975 the staff met with counsel for the company concerning the issuance of a press release relating to the trading suspension and the investigation by the Canadian authorities.

Company counsel has indicated today that they will require additional time in order to obtain approval for their press release. This delay is caused by extensive internal review procedures established in July 1974 as a result of a Commission injunctive action against the company and several of its principals. We anticipate receiving their press release within the next few days.

[REDACTED]

[REDACTED]

David P. Doherty, Assistant Director
Robert G. Ryan, Branch Chief (51468) *RY*
Jacob I. Levine, Investigator (51468) *IL*
Harris S. Ammerman, Attorney (51476) *HA*

005

INFORMATIONAL MEMORANDUM

May 2, 1975

TO: The Commission

FROM: Division of Enforcement *EP*

SUBJECT: Canadian Javelin Limited
HO-815

On April 29, 1975, ~~_____~~, the Commission approved a 10 day suspension of trading in the common stock of Canadian Javelin Limited ("Canadian Javelin") and issued an order of investigation concerning allegations of manipulative activities by insiders of Canadian Javelin.

The staff informed the Commission that the Royal Canadian Mounted Police ("RCMP") advised that they are conducting an extensive investigation into what they believe to be a manipulation of Canadian Javelin's common stock on several Canadian stock exchanges as well as the American Stock Exchange. They have also indicated that several United States residents and broker-dealers may also be involved in the manipulation.

The trading suspension was prompted by the RCMP's having informed us that they were in the process of executing more than 40 search warrants in connection with their investigation of this matter. The suspension was sought pending an announcement by Canadian Javelin concerning the investigation by the Canadian authorities.

DPDoherty, Assistant Director (x 51246)
RCRyan, Branch Chief (x 51469)
JILevine, Special Investigator *JL* (x 51468)

MEMORANDUM

FILE NO.: HO-815DATE: May 12, 1975

TO : The Commission

FROM : Division of Enforcement *DD*

RE :

DATE FILED :

AMENDED :

SUBJECT : Canadian Javelin Limited

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

This suspension began on April 29, 1975 (see attached memorandum) and will subsequently be renewed for an additional ten-day period. On May 8, 1975 the staff met with counsel for the company concerning the issuance of a press release relating to the trading suspension and the investigation by the Canadian authorities.

Company counsel has indicated that they will require additional time in order to obtain approval for their press release. This delay is caused by extensive internal review procedures established in July 1974 as a result of a Commission injunctive action against the company and several of its principals and some confusion over what is public information in Canada. We anticipate receiving their press release within the next few days.

~~_____~~

David P. Doherty, Assistant Director
Robert G. Ryan, Branch Chief (51468) *RA~*
Jacob I. Levine, Investigator (51468) *SL*
Harris S. Ammerman, Attorney (51476) *AD*

Attachment

A-16

003

INFORMATIONAL MEMORANDUM

May 2, 1975

TO: The Commission

FROM: Division of Enforcement *EP*

SUBJECT: Canadian Javelin Limited
HO-815

On April 29, 1975, [REDACTED], the Commission approved a 10 day suspension of trading in the common stock of Canadian Javelin Limited ("Canadian Javelin") and issued an order of investigation concerning allegations of manipulative activities by insiders of Canadian Javelin.

The staff informed the Commission that the Royal Canadian Mounted Police ("RCMP") advised that they are conducting an extensive investigation into what they believe to be a manipulation of Canadian Javelin's common stock on several Canadian stock exchanges as well as the American Stock Exchange. They have also indicated that several United States residents and broker-dealers may also be involved in the manipulation.

The trading suspension was prompted by the RCMP's having informed us that they were in the process of executing more than 40 search warrants in connection with their investigation of this matter. The suspension was sought pending an announcement by Canadian Javelin concerning the investigation by the Canadian authorities.

DPDoherty, Assistant Director	(x 51246)
RGRyan, Branch Chief	(x 51469)
JILevine, Special Investigator <i>JL</i>	(x 51468)

MEMORANDUM

C10

May 23, 1975

TO: The Commission
FROM: The Division of Enforcement
SUBJECT: Canadian Javelin Limited

RECOMMENDATION:

[REDACTED]

This suspension began on April 29, 1975. It was prompted by a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was conducting an extensive investigation into what it believed to be a manipulation of Canadian Javelin's common stock on several Canadian stock exchanges as well the American Stock Exchange.

Recently, members of our staff travelled to St. Johns, Newfoundland in order to examine numerous records seized, pursuant to search warrants, by the RCMP during their investigation. These records indicate that certain individuals associated with the company, with the assistance of brokers in Canada and the United States, appear to have been involved in an attempt to manipulate Canadian Javelin's stock during early 1975. The staff is vigorously pursuing this matter.

We are coordinating our efforts with the Amex and are advised that they intend to continue their suspension until we have determined the extent of the manipulation and its participants. This is a particularly troublesome matter inasmuch as Canadian Javelin appears to be a chronic violator.

Company counsel previously indicated that they intend to submit an appropriate release, but have not yet done so.

[REDACTED]

R. Ryan (51469) R~
J. Levine (51468) Jf

MEMORANDUM

May 30, 1975

TO: The Commission

FROM: The Division of Enforcement

SUBJECT: Canadian Javelin Limited

RECOMMENDATION: ~~_____~~
~~_____~~
~~_____~~

This suspension began on April 29, 1975. It was prompted by a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was conducting an extensive investigation into what it believed to be a manipulation of Canadian Javelin's common stock on several Canadian stock exchanges as well the American Stock Exchange.

Recently, members of our staff travelled to St. Johns, Newfoundland in order to examine numerous records seized, pursuant to search warrants, by the RCMP during their investigation. These records indicate that certain individuals associated with the company, with the assistance of brokers in Canada and the United States, appear to have been involved in an attempt to manipulate Canadian Javelin's stock during early 1975. The staff is vigorously pursuing this matter.

We are coordinating our efforts with the Amex and are advised that they intend to continue their suspension until we have determined the extent of the manipulation and its participants. This is a particularly troublesome matter inasmuch as Canadian Javelin appears to be a chronic violator.

Company counsel previously indicated that they intend to submit an appropriate release, but have not yet done so.

~~_____~~
~~_____~~

R. Ryan (51469) R~
J. Levine (51468) H

0-4

MEMORANDUM

June 16, 1975

TO: The Commission
FROM: The Division of Enforcement *Run*
SUBJECT: Canadian Javelin Limited

RECOMMENDATION: [REDACTED]
[REDACTED]
[REDACTED]

This suspension began on April 29, 1975. It was prompted by a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was conducting an extensive investigation into what it believed to be a manipulation of Canadian Javelin's common stock on several Canadian stock exchanges as well the American Stock Exchange.

Recently, members of our staff travelled to St. Johns, Newfoundland in order to examine numerous records seized, pursuant to search warrants, by the RCMP during their investigation. These records indicate that certain individuals associated with the company, with the assistance of brokers in Canada and the United States, appear to have been involved in an attempt to manipulate Canadian Javelin's stock during early 1975. The staff is vigorously pursuing this matter.

We are coordinating our efforts with the Amex and are advised that they intend to continue their suspension until we have determined the extent of the manipulation and its participants. This is a particularly troublesome matter inasmuch as Canadian Javelin appears to be a chronic violator.

Company counsel previously indicated that they intend to submit an appropriate release, but have not yet done so.

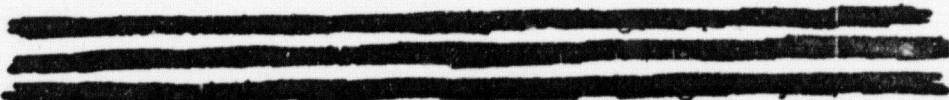
[REDACTED]

R. Ryan (51469) *R~*
J. Levine (51468) *JL*

0-6

MEMORANDUM

June 24, 1975

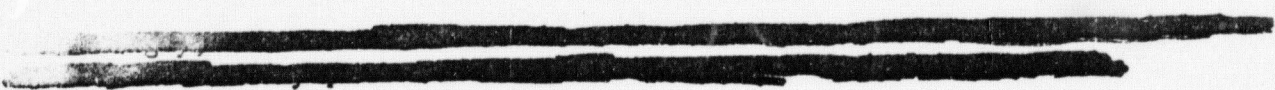
TO: The Commission
FROM: The Division of Enforcement
SUBJECT: Canadian Javelin Limited
RECOMMENDATION: 

This suspension began on April 29, 1975. It was prompted by a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was conducting an extensive investigation into what it believed to be a manipulation of Canadian Javelin's common stock on several Canadian stock exchanges as well as the American Stock Exchange.

Recently, members of our staff travelled to St. Johns, Newfoundland in order to examine numerous records seized, pursuant to search warrants, by the RCMP during their investigation. These records indicate that certain individuals associated with the company, with the assistance of brokers in Canada and the United States, appear to have been involved in an attempt to manipulate Canadian Javelin's stock during early 1975. The staff is vigorously pursuing this matter.

We are coordinating our efforts with the Amex and are advised that they intend to continue their suspension until we have determined the extent of the manipulation and its participants. This is a particularly troublesome matter inasmuch as Canadian Javelin appears to be a chronic violator.

Company counsel previously indicated that they intend to submit an appropriate release but have not yet done so.



R. Ryan (51469) *R*
J. Devine (51468) *J*

MEMORANDUM

0.8

FILE NO.: HO-815

DATE: July 1, 1975

TO : The Commission

FROM : The Division of Enforcement *DND*

RE :

DATE FILED :

AMENDED :

SUBJECT : Canadian Javelin Limited

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

This suspension began on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX")

Since continuance of the Commission's last 10 day trading suspension, members of the staff have taken testimony in this matter in Montreal, and St. John's, Newfoundland, and information is being exchanged with the RCMP. Much of the Canadian information was obtained by the RCMP [REDACTED] in Canada in 1975 which is the time period the staff's investigation is focusing on. The information gathered thus far, including testimony and documentary evidence, shows that brokers in Canada and the United States, assisted directly or were in some way involved since January 1975 in an attempt to manipulate Canadian Javelin's stock.

The staff met with representatives of the AMEX on June 27, 1975 which is conducting its own inquiry and we are further advised that they will continue their trading suspension until the Commission is in a position to reveal the extent of the manipulation and its participants. Canadian Javelin is deemed by the AMEX to be a chronic violator and thought is being given to a possible delisting of the security.

A meeting was held on June 26, 1975 with special counsel to the company who was requested to investigate several transactions involving the company during the height of the alleged manipulation. In addition, company counsel has promised the staff that a meeting will be arranged with John C. Doyle during the month of July. Mr. Doyle, a fugitive from justice stemming from a securities conviction in 1965, is the largest single shareholder and has controlled the direction of Canadian Javelin since its inception. The staff has traced Mr. Doyle's telephone in Nassau to have been frequently called by certain persons believed to have been directly involved with wash trading during the relevant period. Furthermore, company counsel has not yet submitted an appropriate press release as was recently promised. The staff hopes to conclude the investigation shortly after it meets with Mr. Doyle.

.....

~~_____~~

~~_____~~

Prepared by:

DPDoherty, Assistant Director	(51246)
RGRyan, Branch Chief	(51569) N ~
H. Ammerman, Attorney	(51476) N3H

MEMORANDUM

~~020~~FILE NO.: HO-815DATE: July 15, 1975

TO : The Commission

FROM : The Division of Enforcement *Don*

RE :

DATE FILED :

AMENDED :

SUBJECT : Canadian Javelin Limited

RECOMMENDATION:

[REDACTED]

[REDACTED]

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

This suspension began on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX")

Matters pending at the conclusion of the Commission's last ten-day trading suspension are still being resolved. As previously stated, members of the staff have taken testimony in this matter in Montreal, and St. John's, Newfoundland, and information is being exchanged with the RCMP. Much of the Canadian information was obtained by the RCMP [REDACTED] in Canada in 1975 which is the time period the staff's investigation is focusing on. The information gathered thus far, including testimony and documentary evidence, shows that brokers in Canada and the United States, assisted directly or were in some way involved since January 1975 in an attempt to manipulate Canadian Javelin's stock.

The staff met with representatives of the AMEX on June 27, 1975 which is conducting its own inquiry and we are further advised that they will continue their trading suspension until the Commission is in a position to reveal the extent of the manipulation and its participants. Canadian Javelin is deemed by the AMEX to be a chronic violator and thought is being given to a possible delisting of the security.

022

A meeting was held on June 26, 1975 with special counsel to the company who was requested to investigate several transactions involving the company during the height of the alleged manipulation. In addition, company counsel has promised the staff that a meeting will be arranged with John C. Doyle during the month of July. Mr. Doyle, a fugitive from justice stemming from a securities conviction in 1965, is the largest single shareholder and has controlled the direction of Canadian Javelin since its inception. The staff has traced Mr. Doyle's telephone in Nassau to have been frequently called by certain persons believed to have been directly involved with wash trading during the relevant period. Furthermore, company counsel has not yet submitted an appropriate press release as was recently promised. The staff hopes to conclude the investigation shortly after it meets with Mr. Doyle.

Prepared by:

BGRyan, Branch Chief
H. Ammerman, Attorney

(51569) NCV
(51476) N317

MEMORANDUM

0:24

FILE NO.: HO-815

DATE: July 21, 1975

TO : The Commission
FROM : Division of Enforcement *pm*
RE : Canadian Javelin Limited ("CJV")
DATE FILED :
AMENDED :
SUBJECT :

RECOMMENDATION:

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

This suspension began on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the announcement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulator appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

Soon after the staff began issuing subpoenas, most of the U.S. residents who participated in the scheme fled to Panama. Recently, an old time

securities violator and close associate of Doyle refused to testify, invoking his 5th Amendment rights. Doyle has also recently indicated, through counsel, that he is reluctant to testify in this matter.

The staff is currently communicating with the Quebec Securities Commission, the Grand Cayman police, and the Bohemian authorities and plans to meet with several company officials in the near future. It is anticipated that this investigation will conclude soon thereafter.

[REDACTED]

RGRyan (51469)
JLevine (51468)

037

MEMORANDUM

FILE NO.: HO-815

DATE: August 1, 1975

TO : The Commission
FROM : Division of Enforcement *RM*
RE : Canadian Javelin Limited ("CJV")
DATE FILED :
AMENDED :
SUBJECT :

RECOMMENDATION:

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

This suspension began on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulator appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

Soon after the staff began issuing subpoenas, most of the U.S. residents who participated in the scheme fled to Panama. Recently, an old time

securities violator and close associate of Doyle refused to testify, invoking his 5th Amendment rights. Doyle has also recently indicated, through counsel, that he is reluctant to testify in this matter.

The staff is currently communicating with the Quebec Securities Commission, the Grand Cayman police, and the Bahamian authorities and plans to meet with several company officials in the near future. It is anticipated that this investigation will conclude soon thereafter.

RGRyan (51469)
JLevine (51468)
HAMmerman (51476)
ADinerman (426-0480)

MEMORANDUM

30

FILE NO.: HO-815

DATE: August 11, 1975

TO : The Commission

FROM : Division of Enforcement *WTF*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

This suspension began on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

The staff has requested a meeting with the president of CJV, Canadian counsel for CJV and the partner in charge of Lee and Martin, the company's independent auditors. The staff has also been recently informed that Doyle is now receptive to meeting with the staff.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

•RGRyan	(51469)
JLevine	(51468)
HAmmerman	(51476)
ADinerman	(426-0480)

MEMORANDUM

031

FILE NO.: HO-815

DATE: August 21, 1975

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

This suspension began on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

The staff has requested a meeting with the president of CJV, Canadian counsel for CJV and the partner in charge of Lee and Martin, the company's independent auditors. The staff has also been recently informed that Doyle is now receptive to meeting with the staff.

Canadian counsel for CJV has informed the staff that approval of the board of directors is necessary in order for the president of CJV and its counsel to testify before the Commission and to furnish information concerning certain sensitive areas involving corporate activities. For this reason, they have sought postponements concerning their appearances and they anticipate testifying within the next week or so.

RGRyan (51469)
JLevine (51468)
HAMmerman(51476)
ADinerman(426-0480)

MEMORANDUM

FILE NO.: HO-815

DATE: September 2, 1975

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

The staff has requested a meeting with the president of CJV, Canadian counsel for CJV and the partner in charge of Lee and Martin, the company's independent auditors. The staff has also been recently informed that Doyle is now receptive to meeting with the staff.

Canadian counsel for CJV has informed the staff that approval of the board of directors is necessary in order for the president of CJV and its counsel to testify before the Commission and to furnish information concerning certain sensitive areas involving corporate activities. For this reason, they have sought postponements concerning their appearances and they anticipate testifying within the next week or so.

RGRyan (51469)
JLevine (51468)
HAMmerman(51476)
ADinerman(426-0480)

009

MEMORANDUM

FILE NO.: HO-815

DATE: September 11, 1975

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

ACTION REQUESTED BY: September 15, 1975

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

The staff has requested a meeting with the president of CJV, Canadian counsel for CJV and the partner in charge of Lee and Martin, the company's independent auditors. The staff has also been recently informed that Doyle is now receptive to meeting with the staff.

Canadian counsel for CJV has informed the staff that approval of the board of directors is necessary in order for the president of CJV and its counsel to testify before the Commission and to furnish information concerning certain sensitive areas involving corporate activities. Scheduled appearances of CJV's president and counsel for CJV before the staff have been postponed.

RCRyan (51469)
JLevine (51468)
HAMmerman(51476)
ADinerman (51697)

042

MEMORANDUM

FILE NO.: HO-815

DATE: September 23, 1975

TO : The Commission

FROM : Division of Enforcement. *Rm*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

The staff has requested a meeting with the president of CJV, Canadian counsel for CJV and the partner in charge of Lee and Martin, the company's independent auditors. The staff has also been recently informed that Doyle is now receptive to meeting with the staff.

Canadian counsel for CJV has informed the staff that approval of the board of directors is necessary in order for the president of CJV and its counsel to testify before the Commission and to furnish information concerning certain sensitive areas involving corporate activities. Scheduled appearances of CJV's president and counsel for CJV before the staff have been postponed.

RGRyan (51469)

JLevine (51468)

HAnnerman(51476)

ADinerman (51697)

045

MEMORANDUM

FILE NO.: HO-815

DATE: October 1, 1975

TO : The Commission

FROM : Division of Enforcement *Rm*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

Securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

The staff has requested a meeting with the president of CJV, Doyle, director of CJV, Doyle's son, a vice president of CJV, Canadian counsel for CJV and the partner in charge of CJV's independent auditor.

Canadian counsel for CJV has informed the staff that approval of the board of directors is necessary in order for the president of CJV and its counsel to testify before the Commission and to furnish information concerning certain sensitive areas involving corporate activities. He also recently advised that on September 28 and 29, 1975 the board met in Costa Rica and authorized CJV counsel to furnish information to the staff; however, the board refused to waive any attorney-client privilege. With respect to our meeting with the President of CJV and the Doyles, counsel advised the staff that neither the president nor the Doyles intend to meet with the Commission's staff. The staff intends to pursue every available recourse to compel the testimony of these witnesses. We have also been advised that a Panamanian attorney, under CJV direction, has prepared a report of investigation concerning the manipulation which will be forwarded to the staff.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

R Ryan (51469)
LIVING (51468)
[REDACTED] (51476)
[REDACTED] (51697)

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

OCT 15 1975

047

In the Matter of Trading in Securities

of

CANADIAN JAVELIN, LTD.

File No. 500-1

NOTICE OF
SUSPENSION
OF TRADING


Securities Exchange Act of 1934
Section 12(k)

The common stock of Canadian Javelin, Ltd.
being traded on the American Stock Exchange
pursuant to provisions of the Securities Exchange Act of 1934 and
all other securities of Canadian Javelin, Ltd.
being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission
that the summary suspension of trading in such securities on such
exchange and otherwise than on a national securities exchange is
required in the public interest and for the protection of investors;

THEREFORE, pursuant to Section 12(k) of the
Securities Exchange Act of 1934, trading in such securities on the
above mentioned exchange and otherwise than on a national securities
exchange is suspended, for the period from October 16, 1975 through
October 25, 1975.

By the Commission.


George A. Fitzsimmons
Secretary

MEMORANDUM

048

FILE NO.: HO-815

DATE: October 10, 1975

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

The staff has requested a meeting with the president of CJV, Doyle, a director of CJV, Doyle's son, a vice president of CJV, Canadian counsel for CJV and the partner in charge of CJV's independent auditor.

Canadian counsel for CJV has informed the staff that approval of the board of directors is necessary in order for the president of CJV and its counsel to testify before the Commission and to furnish information concerning certain sensitive areas involving corporate activities. He also recently advised that on September 28 and 29, 1975 the board met in Costa Rica and authorized CJV counsel to furnish information to the staff; however, the board refused to waive any attorney-client privilege. With respect to our meeting with the President of CJV and the Doyles, counsel advised the staff that neither the president nor the Doyles intend to meet with the Commission's staff. The staff intends to pursue every available recourse to compel the testimony of these witnesses. We have also been advised that a Panamanian attorney, under CJV direction, has prepared a report of investigation concerning the manipulation which will be forwarded to the staff.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] (51469)
[REDACTED] (51468)
[REDACTED] (51476)
[REDACTED] (51697)

MEMORANDUM

051

FILE NO.: HO-815

DATE: October 17, 1975

TO : The Commission
FROM : Division of Enforcement *RM*
RE : Canadian Javelin Limited ("CJV")
DATE FILED :
AMENDED :
SUBJECT :

RECOMMENDATION:

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

On September 22, 1975 Steptoe & Johnson notified the staff that CJV no longer desired them to represent the company before the Commission and the AMEX. Steptoe & Johnson previously advised that they recommended that CJV and its officers and directors cooperate with the staff in this investigation.

[REDACTED]

OKyan	(51469)
Provise	(51468)
Wimmerman	(51476)
Wimmerman	(51697)

MEMORANDUM

054

FILE NO.: HO-813

DATE: October 31, 1975

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

[REDACTED]

[REDACTED]

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

[REDACTED]

The staff recently received a report prepared by a Panamanian attorney at the request of CJV including written interrogatories and answers from two individuals who are being considered as possible defendants in the proposed civil action.

The staff still intends to meet with Canadian counsel for CJV who may also be involved in the manipulation. Such meeting has been delayed while he retains counsel.

[REDACTED]

RGRyan (51469)
JLevine (51468)
HAMmerman (51476)
ADinerman (51697)

007

MEMORANDUM

1-4192

FILE NO.: HO-815

DATE: November 7, 1975

TO : The Commission

FROM : Division of Enforcement *Pen*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

[REDACTED]

The staff still intends to meet with Canadian counsel for CJV who may also be involved in the manipulation. Such meeting has been delayed in order to provide his counsel with an opportunity to familiarize himself with the matter.

[REDACTED]

RGRyan (51469)
JLevine (51468)
HAMmerman (51476)
ADinerman (51697)

060

MEMORANDUM

1-4192

FILE NO.: HO-815

DATE: November 18, 1975

TO : The Commission

FROM : Division of Enforcement *Run*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

[REDACTED]

The staff had intended to meet with [REDACTED] who may also be involved in the manipulation. Such meeting was delayed in order to provide his counsel with an opportunity to familiarize himself with the matter. However, after substantial delays, the staff has been informed that he no longer intends to discuss this matter with the staff.

[REDACTED]

EGRyan (51469)
JLevine (51468)
HAMmerman (51476)
ADinerman (51697)

083

MEMORANDUM

1-4192

FILE NO.: HO-815

DATE: November 28, 1975

TO : The Commission
 FROM : Division of Enforcement *RM*
 RE : Canadian Javelin Limited ("CJV")
 DATE FILED :
 AMENDED :
 SUBJECT :

RECOMMENDATION:

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

[REDACTED]

064

RGRyan (51469)
JLevine (51468)
HAMmerman (51476)
ADinerman (51697)

066

MEMORANDUM

1-4192

FILE NO.: HO-815

DATE: December 5, 1975

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

The RCMP [REDACTED] Their
[REDACTED] case, for the most part, relates to activities in Canada prior to the
January 27, 1975 resumption of trading in the U.S.

[REDACTED]

[REDACTED]

RGRyan (51469)
JLevine (51463)
HAMmerman (51476)
ADinerman (51697)

069

MEMORANDUM

1-4192

FILE NO.: HO-815

DATE: December 19, 1975

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

[REDACTED]

[REDACTED]

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

After review by the Division of Enforcement [REDACTED]

[REDACTED] it was determined that supervisory personnel at several U. S. broker-dealers should be interviewed in order to resolve any participation by these broker-dealers in the manipulation.

It is also significant that on November 3, 1975, after attempts by the staff to obtain information from CJV and its directors utilizing the provisions of the U.S. District Court decree issued on July 17, 1974, a CJV director instituted a civil action in Toronto, Ontario, Canada against CJV, the Commission and Meyer Eisenberg seeking, among other things, to nullify the ancillary relief contained in the prior consent decree agreed to by CJV. The Office of General Counsel and the Division of Enforcement are pursuing this matter.

[REDACTED]
[REDACTED]
[REDACTED]

RGRyan	(51469)
JLevine	(51468)
HAMmerman	(51476)
ADinerman	(51697)

0712

MEMORANDUM

1-4192

FILE NO.: HO-815

DATE: December 29, 1975

TO : The Commission

FROM : Division of Enforcement *Run*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

[REDACTED]

[REDACTED]

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

After review by the Division of Enforcement [REDACTED]

[REDACTED], it was determined that supervisory personnel at several U. S. broker-dealers should be interviewed in order to resolve any participation by these broker-dealers in the manipulation.

It is also significant that on November 3, 1975, after attempts by the staff to obtain information from CJV and its directors utilizing the provisions of the U.S. District Court decree issued on July 17, 1974, a CJV director instituted a civil action in Toronto, Ontario, Canada against CJV, the Commission and Meyer Eisenberg seeking, among other things, to nullify the ancillary relief contained in the prior consent decree agreed to by CJV. The Office of General Counsel and the Division of Enforcement are pursuing this matter.

On December 19, 1975, an order was issued by the U.S. District Court for the Southern District of New York requiring that CJV appoint Meyer Eisenberg to defend the Toronto law suit on behalf of CJV and pay his fees for such representation. CJV has refused to defend the Toronto action and has indicated that it may appeal the district court ruling.

[REDACTED]

RG Ryan (51469)
Elevine (51468)
Eisenberg (51476)
Eisenberg (51697)

MEMORANDUM

1-4192

FILE NO.: HO-815

DATE: January 9, 1976

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV")

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

[REDACTED]

[REDACTED]

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock has been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director has been behind the manipulation.

[REDACTED]

With respect to the Toronto law suit against CJV, the Commission and Mr. Eisenberg, and the recent ruling from the U.S. District Court for the Southern District of New York, CJV has filed an appeal to set aside the court's decision of November 19, 1975 requiring CJV to appoint Eisenberg to defend CJV in the Toronto action. The appeal is still pending.

[REDACTED]

RGRyan (51469)
JLevine (51468)
HAMmerman(51476)
ADinerman(51697)

MEMORANDUM

178

FILE NO.: HO-815

DATE: January 16, 1976

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV") 1-4192

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock had been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director, has been behind the manipulation.

[REDACTED]

On January 14, 1976 the RCMP announced that criminal informations had been filed in St. Johns, Newfoundland against Doyle and four others charging them with fraud in connection with the trading of the common stock of CJV and one of its subsidiaries.

With respect to the Toronto law suit against CJV, the Commission and Mayer Eisenberg, and the recent ruling from the U.S. District Court for the Southern District of New York, CJV has filed an appeal to set aside the court's decision of November 19, 1975 requiring CJV to appoint Eisenberg to defend CJV in the Toronto action. The appeal is still pending.

[REDACTED]

RGRyan (51469)
JLevine (51468)
HAMMERMAN (51476)
ADINERMAN (51697)

081

MEMORANDUM

FILE NO.: HO-815

DATE: January 23, 1976

TO : The Commission
FROM : Division of Enforcement *RM*
RE : Canadian Javelin Limited ("CJV") 1-4192
DATE FILED :
AMENDED :
SUBJECT :

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock had been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director, has been behind the manipulation.

A-65

[REDACTED]

With respect to the Toronto law suit against CJV, the Commission and Meyer .. Eisenberg, and the recent ruling from the U.S. District Court for the Southern District of New York, CJV has filed an appeal to set aside the court's decision of November 19, 1975 requiring CJV to appoint Eisenberg to defend CJV in the Toronto action. The appeal is still pending.

To date, there has been no public release by the company concerning the RCMP investigation or the recent criminal informations filed in St. Johns, Newfoundland. Moreover, CJV continues to refuse to cooperate with the staff.

[REDACTED]

RGRyan (51469)
JLevine (51468)
HAMmerman (51476)
ADinerman (51697)

014

MEMORANDUM

FILE NO.: HO-815

DATE: February 5, 1976

TO : The Commission

FROM : Division of Enforcement *Rm*

RE : Canadian Javelin Limited ("CJV") 1-4192

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION: 

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock had been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director, has been behind the manipulation.

[REDACTED]

With respect to the Toronto law suit against CJV, the Commission and Meyer Eisenberg, and the recent ruling from the U.S. District Court for the Southern District of New York, CJV has filed an appeal to set aside the court's decision of November 19, 1975 requiring CJV to appoint Eisenberg to defend CJV in the Toronto action. The appeal is still pending.

[REDACTED]

RGRyan (51469)
JLevine (51468)
HAMmerman (51476)
ADinerman (51697)

MEMORANDUM

057

FILE NO.: HO-815

DATE: February 12, 1976

TO : The Commission
FROM : Division of Enforcement *RM*
RE : Canadian Javelin Limited ("CJV") 1-4192
DATE FILED :
AMENDED :
SUBJECT :

RECOMMENDATION:

[REDACTED]

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock had been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director, has been behind the manipulation.

[REDACTED]

With respect to the Toronto law suit against CJV, the Commission and Meyer Eisenberg, and the recent ruling from the U.S. District Court for the Southern District of New York, CJV has filed an appeal to set aside the court's decision of November 19, 1975 requiring CJV to appoint Eisenberg to defend CJV in the Toronto action. The appeal is still pending.

[REDACTED]

RGRyan (51469)
JLevine (51468)
HAMmerman (51476)
ADinerman (51697)

(9)

MEMORANDUM

FILE NO.: HO-815

DATE: February 26 1976

TO : The Commission

FROM : Division of Enforcement *Rem*

RE : Canadian Javelin Limited ("CJV") 1-4192

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

~~_____~~
~~_____~~
~~_____~~

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock had been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director, has been behind the manipulation.

[REDACTED]

With respect to the Toronto law suit against CJV, the Commission and Meyer Eisenberg, and the recent ruling from the U.S. District Court for the Southern District of New York, CJV has filed an appeal to set aside the court's decision of November 19, 1975 requiring CJV to appoint Eisenberg to defend CJV in the Toronto action. The appeal is still pending.

[REDACTED]

RGRyan (51469)
JLevine (51468)
HAMmerman (51476)
ADinerman (51697)

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

MAR 12 1976.

032

In the Matter of Trading in Securities

of

CANADIAN JAVELIN, LTD.

File No. 500-1

NOTICE OF
SUSPENSION
OF TRADING

Securities Exchange Act of 1934

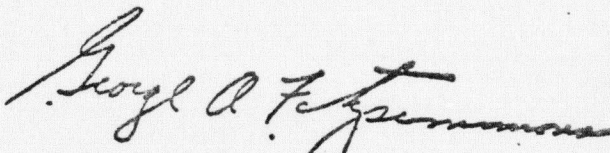
Section 12(k)

The common stock of Canadian Javelin, Ltd.
being traded on the American Stock Exchange
pursuant to provisions of the Securities Exchange Act of 1934 and
all other securities of Canadian Javelin, Ltd.
being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission
that the summary suspension of trading in such securities on such
exchange and otherwise than on a national securities exchange is
required in the public interest and for the protection of investors;

THEREFORE, pursuant to Section 12(k) of the
Securities Exchange Act of 1934, trading in such securities on the
above mentioned exchange and otherwise than on a national securities
exchange is suspended, for the period from March 14, 1976 through
March 23, 1976.

By the Commission.


George A. Fitzsimmons
Secretary

003

MEMORANDUM

FILE NO.: HO-815

DATE: March 4, 1976

TO : The Commission

FROM : Division of Enforcement *RM*

RE : Canadian Javelin Limited ("CJV") 1-4192

DATE FILED :

AMENDED :

SUBJECT :

RECOMMENDATION:

ACTION REQUESTED BY:

NOVEL, UNIQUE OR COMPLEX ISSUES: None

Securities of CJV were initially suspended on April 29, 1975 in response to a announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of Canadian Javelin's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The investigation to date has revealed that from the commencement of trading on January 27, 1975 until the Commission's trading suspension on April 29, 1975 CJV's stock had been continually manipulated on the AMEX as well as several Canadian stock exchanges. The manipulation appears to involve Americans, Canadians and Panamanians. It also appears that John C. Doyle ("Doyle"), CJV's founder, former chairman of the executive committee and currently a director, has been behind the manipulation.

[REDACTED]

With respect to the Toronto law suit against CJV, the Commission and Meyer Eisenberg, and the recent ruling from the U.S. District Court for the Southern District of New York, CJV has filed an appeal to set aside the court's decision of November 19, 1975 requiring CJV to appoint Eisenberg to defend CJV in the Toronto action. The appeal is still pending.

[REDACTED]

RG Ryan (51469)
J Levine (51468)
H Hammerman (51476)
A Dinerman (51697)

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

MAR 23 1976

035

In the Matter of Trading in Securities

of

CANADIAN JAVELIN, LTD.

File No. 500-1

NOTICE OF
SUSPENSION
OF TRADING

Securities Exchange Act of 1934
Section 12(k)

The common stock of Canadian Javelin, Ltd.
being traded on the American Stock Exchange
pursuant to provisions of the Securities Exchange Act of 1934 and
all other securities of Canadian Javelin, Ltd.
being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission
that the summary suspension of trading in such securities on such
exchange and otherwise than on a national securities exchange is
required in the public interest and for the protection of investors;

THEREFORE, pursuant to Section 12(k) of the
Securities Exchange Act of 1934, trading in such securities on the
above mentioned exchange and otherwise than on a national securities
exchange is suspended, for the period from March 24, 1976 through
April 2, 1976.

By the Commission.



George A. Fitzsimmons
Secretary

MEMORANDUM

FILE NO.: HO-815

DATE: March 19, 1976

TO : The Commission

FROM : Division of Enforcement *Rem*

RE :

DATE FILED :

AMENDED :

SUBJECT : Canadian Javelin Limited ("CJV") 1-4192

RECOMMENDATION:

[REDACTED]

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of CJV's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The Commission approved on March 11, 1976 [REDACTED] the filing of an injunctive action in the United States District Court for the Southern District of New York to enjoin John C. Doyle, Robert K. Glass, Albert A. Furst, Kiely Daniel Landrigan, Hubert Ducharme, Union Trust Corporation, Guardian Management, S.A., Securities & Real Estate Holding Co. (Overseas) Ltd., and Parsons & Landrigan Ltd. from engaging in further violations of Section 9(a) and 10(b) of the Exchange Act and Rule 10b-5 thereunder. As noted earlier this case involves an illegal scheme to artificially manipulate and maintain the price of CJV common stock on the AMEX as well as several Canadian stock exchanges from January 27, 1975 through April 29, 1975.

The staff believes that with the filing of this complaint, the public purpose for which the suspension of trading of CJV common stock was instituted on April 29, 1975 will have been amply served.

The current 10-day suspension of CJV stock expires March 23, 1976. The complaint and accompanying litigation papers are being drafted and revised by the staff with the present expectation that the suit will be filed in the Southern District of New York on or before expiration of the current trading suspension. [REDACTED]

The public release to be issued when the complaint is filed will contain information concerning the allegations made by the Commission and the cautionary language reminding brokers of their responsibilities pursuant to Rule 15c-11. [REDACTED]

RG Ryan (51469)
HS Ammerman (51476)
RV Norell (51508)
AE Dinerman (51697)

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

APR 2 1976

038

In the Matter of Trading in Securities

of

CANADIAN JAVELIN, LTD.
File No. 500-1

NOTICE OF
SUSPENSION
OF TRADING

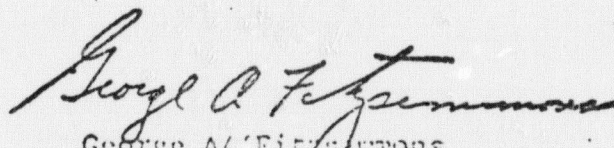
Securities Exchange Act of 1934
Section 12(k)

The common stock of Canadian Javelin, Ltd.
being traded on the American Stock Exchange
pursuant to provisions of the Securities Exchange Act of 1934 and
all other securities of Canadian Javelin, Ltd.
being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission
that the summary suspension of trading in such securities on such
exchange and otherwise than on a national securities exchange is
required in the public interest and for the protection of investors;

THEREFORE, pursuant to Section 12(k) of the
Securities Exchange Act of 1934, trading in such securities on the
mentioned exchange and otherwise than on a national securities
exchange is suspended, for the period from April 3 through April 12, 1976.

By the Commission.


George A. Fitzsimmons
Secretary

MEMORANDUM

689

FILE NO.: HO-815

DATE: March 26, 1976

TO : The Commission

FROM : Division of Enforcement *Rem*

RE :

DATE FILED :

AMENDED :

SUBJECT : Canadian Javelin Limited ("CJV") 1-4192

RECOMMENDATION:

[REDACTED]

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of CJV's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The Commission approved on March 11, 1976 [REDACTED] the filing of an injunctive action in the United States District Court for the Southern District of New York to enjoin John C. Doyle, Robert K. Glass, Albert A. Furst, Kiely Daniel Landrigan, Hubert Ducharme, Union Trust Corporation, Guardian Management, S.A., Securities & Real Estate Holding Co. (Overseas) Ltd., and Parsons & Landrigan Ltd. from engaging in further violations of Section 9(a) and 10(b) of the Exchange Act and Rule 10b-5 thereunder. As noted earlier this case involves an illegal scheme to artificially manipulate and maintain the price of CJV common stock on the AMEX as well as several Canadian stock exchanges from January 27, 1975 through April 29, 1975.

The complaint is being reviewed and the staff anticipates filing this action in the Southern District of New York within the next few days.

The staff has recently received information that there have been changes in the management of CJV. However, the current status of management is not clear. At first the staff learned that Doyle resigned as a director and those officers under his domination were fired. Several days later the staff learned that Doyle revoked a trust relating to several outside independent directors, dismissed them and replaced them with friends and associates. This action by Doyle may constitute a violation of the July 17, 1974 decree issued by Judge McMahon. New management is now seeking a permanent injunction in Montreal barring Doyle from interfering with the operations of the company and the activities of management. The staff intends to closely follow these developments, and, if necessary, recommend to the Commission whatever action seems appropriate.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

RGRyan (51469)
JILevine (51468)
RVNorell (51508)
AEDinerman (51697)

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

APR 12 1976

101

In the Matter of Trading in Securities

of
CANADIAN JAVELIN, LTD.

File No. 500-1

NOTICE OF
SUSPENSION
OF TRADING

Securities Exchange Act of 1934
Section 12(k)

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the securities of Canadian Javelin, Ltd., being traded on a national securities exchange or otherwise, is required in the public interest and for the protection of investors;

THEREFORE, pursuant to Section 12(k) of the Securities Exchange Act of 1934, trading in such securities on a national securities exchange or otherwise is suspended, for the period from April 13, 1976 through April 22, 1976.

By the Commission.

George A. Fitzsimmons
Secretary

Shirley E. Hollis

By: Shirley E. Hollis
Assistant Secretary

MEMORANDUM

102

FILE NO.: HO-815

DATE: April 2, 1976

TO : The Commission

FROM : Division of Enforcement *Rem*

RE :

DATE FILED :

AMENDED :

SUBJECT : Canadian Javelin Limited ("CJV") 1-4192

RECOMMENDATION:

[REDACTED]

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of CJV's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The Commission approved on March 11, 1976 [REDACTED] the filing of an injunctive action in the United States District Court for the Southern District of New York to enjoin John C. Doyle, Robert K. Glass, Albert A. Furst, Kiely Daniel Landrigan, Hubert Ducharme, Union Trust Corporation, Guardian Management, S.A., Securities & Real Estate Holding Co. (Overseas) Ltd., and Parsons & Landrigan Ltd. from engaging in further violations of Section 9(a) and 10(b) of the Exchange Act and Rule 10b-5 thereunder. As noted earlier this case involves an illegal scheme to artificially manipulate and maintain the price of CJV common stock on the AMEX as well as several Canadian stock exchanges from January 27, 1975 through April 29, 1975.

A-83

The complaint has not yet been filed because of several recent developments within the company. Company counsel and court appointed special counsel have recently met with the staff concerning managerial and financial problems at CJV. The company is now delinquent with respect to the filing of its Form 10-K due March 31, 1976. CJV's auditors have informed the board that they recently received information which may cause them to revoke their certification of CJV's balance sheet as of December 31, 1973. In addition, a temporary injunction has been issued by a Montreal court barring Doyle and his "management group" from interfering with the activities of CJV. New management has informed us that they wish to cooperate with the staff, waive any attorney-client privilege, and make available all CJV officers, directors and employees to the staff.

RCRyan	(51469)
JLLevine	(51468)
RVNorell	(51508)
AEDinerman	(51697)

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

104

APR 21 1976

In the Matter of Trading in Securities of

CANADIAN JAVELIN LTD.

Securities Exchange Act of 1934
Section 12(k)

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NOTICE OF SUSPENSION
OF TRADING

On March 11, 1976, the Commission received a petition from Mr. Samuel H. Sloan seeking review of all of the suspensions of trading in Canadian Javelin Ltd. securities from November 29, 1973, to date. Mr. Sloan asked, among other things, that the Commission refrain from renewing the trading suspension of Canadian Javelin Ltd. and that the Commission declare that the previous trading suspensions were illegal.

Mr. Sloan states that he is the owner of 13 shares of Canadian Javelin Ltd., that in the past he has engaged in substantial purchases and short sales of shares of that stock, particularly during 1973 prior to a suspension of trading beginning on November 29, 1973.

On that date the Commission not only suspended trading of Canadian Javelin common stock, but also instituted a civil injunctive action against it and certain of its principals, charging violations of the registration and antifraud provisions of the Securities Act of 1933; of antifraud provisions of the Securities Exchange Act of 1934, as well as of annual and periodic reporting requirements of that Act. In addition, it was charged that false reports were filed with the Commission by Canadian Javelin Ltd. and that the company had disseminated a series of press releases containing false and misleading information relating to its purported development of Panamanian mineral properties. This resulted in a series of suspensions which concluded on January 26, 1975.

According to criminal informations returned in Canada, it appears that the common stock of Canadian Javelin may have been artificially manipulated on two Canadian stock exchanges, and that this was continuing after January 26, 1975. The Commission is actively investigating, among other things, possible manipulation of the stock in the United States securities markets. The Commission on April 29, 1975, again suspended trading as a result of a lack of information

concerning pending investigative action by Canadian regulatory authorities.

In addition, a number of private civil suits are pending in Canada involving a dispute regarding control of the company. A Canadian provincial court recently issued an order installing a new board of directors and this order is now on appeal.

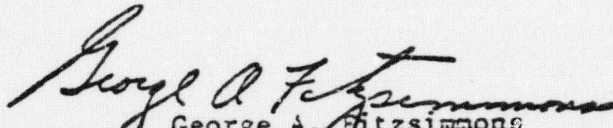
Mr. Sloan pointed out that the most recent annual report issued by Canadian Javelin Ltd. contains an earnings statement and a balance sheet of Canadian Javelin Ltd., both of which are certified by the accounting firm of Lee & Martin. Since March 31, 1976, however, the company has been delinquent with respect to the filing of its 10-K report.

Mr. Sloan also contends that the trading suspension aids Mr. Doyle to the detriment of United States stockholders and concludes from this "that in all probability Mr. Doyle is bribing a person or persons at the SEC in order to bring about repeated suspensions of Canadian Javelin Ltd." The facts he alleges in no way support this speculation.

Accordingly, it appearing to the Securities and Exchange Commission that the summary suspension of trading in the securities of Canadian Javelin Ltd. being traded on a national securities exchange is otherwise is required in the public interest and for the protection of investors;

THEREFORE, pursuant to Section 12(k) of the Securities Exchange Act of 1934, trading in such securities on a national securities exchange or otherwise is suspended, for the period from April 23, 1976, through May 2, 1976.

By the Commission.


George A. Fitzsimmons
Secretary

MEMORANDUM

FILE NO.: HO-815

DATE: April 20, 1976

TO : The Commission

FROM : Division of Enforcement *Rem*

RE :

DATE FILED :

AMENDED :

SUBJECT : Canadian Javelin Limited ("CJV") 1-4192

RECOMMENDATION:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The securities of CJV were initially suspended on April 29, 1975 in response to a public announcement by the Royal Canadian Mounted Police ("RCMP") that it was investigating an alleged manipulation of CJV's common stock on Canadian stock exchanges and the American Stock Exchange ("AMEX").

The Commission approved on March 11, 1976 [REDACTED] the filing of an injunctive action in the United States District Court for the Southern District of New York to enjoin John C. Doyle, Robert K. Glass, Albert A. Furst, Kiely Daniel Landrigan, Hubert Ducharme, Union Trust Corporation, Guardian Management, S.A., Securities & Real Estate Holding Co. (Overseas) Ltd., and Parsons & Landrigan Ltd. from engaging in further violations of Section 9(a) and 10(b) of the Exchange Act and Rule 10b-5 thereunder. ^{1/} As noted earlier this case involves an illegal scheme to artificially manipulate and maintain the price of CJV common stock on the AMEX as well as several Canadian stock exchanges from January 27, 1975 through April 29, 1975.

^{1/} Filing of this action has been delayed because of recent management changes and the resultant availability of certain information which which was deemed pertinent to the staff's investigation.

The staff expects to file its complaint in this matter during the week of April 19, 1976 [REDACTED] in view of CJV's continued delinquency in filing its 10K, the company may request that the suspension be continued even after the staff's complaint is filed.

[REDACTED]

[REDACTED]

[REDACTED]

RGRyan (51469)
JILevine (51468)
RVNorell (51508)
AEDinerman (51697)

United States of America
before the
Securities & Exchange Commission

REC'D S.E.C.
MAR 11 1976

*
* In the *
* Matter of the *
* Application of *
* *
* Samuel H. Sloan *
* *

RECEIVED
OFFICE OF THE SECRETARY
MAR 12 1976

18

VERIFIED PETITION FOR REVIEW

On the annexed affidavit Samuel H. Sloan sworn to the 5th day of March, 1976 the undersigned hereby petitions the United States Securities & Exchange Commission for review of all orders of the suspension of trading in Canadian Javelin Ltd. from November 29, 1973 up to and including such date as this petition may be decided. The petitioner demands a hearing and requests a declaration that each and every order of suspension of trading of Candian Javelin Ltd. has been illegal and has deprived the petitioner of liberty and property without due process of law and that Securities & Exchange Commission has violated the Securities Exchange Act of 1934 and has abused agency due process. The petitioner further demands an order declaring that there be no further suspensions of trading in the shares of Canadian Javelin Ltd. and that the current suspension in effect shall terminate.

Yours, etc.

Dated: March 5, 1976

Samuel H. Sloan
1761 Eastburn Avenue
Apartment A 5
Bronx, New York 10457
(212) 299-2095

United States of America
before the
Securities & Exchange Commission

*
* In the *
* Matter of the *
* Application of *
* *
* Samuel H. Sloan *
* *

AFFIDAVIT

119

State of New York)
) SS:.
County of New York)

Samuel H. Sloan, being duly sworn, deposes and says:

1. I make this affidavit in support of a petition for review of orders of suspension of trading in Canadian Javelin Ltd. Previously, I applied to the United States Court of Appeals for the Second Circuit for much the same relief. On October 15, 1975 the Court of Appeals dismissed my petition without prejudice because counsel for the Securities & Exchange Commission ("S. E. C.") indicated that the S. E. C. was willing to give me "some sort of hearing." Promptly thereafter, I applied to the S. E. C. for the hearing which had in effect been promised to me in the Court of Appeals decision. Approximately one month later I received a reply which indicated that the S. E. C. might give me a hearing if I were to submit an affidavit setting forth facts which I intended to prove at this hearing which would demonstrate that the S. E. C. had abused its discretion in suspending trading in Canadian Javelin Ltd. In my opinion this response indicates an intention contrary to that which is embodied in the Court of Appeals decision because it is obvious to me that when the Second Circuit stated in its opinion that it wanted an adequate factual record it meant that it wanted a record which would set forth the reasons for which the S. E. C. suspended trading in Canadian Javelin Ltd. and which would provide "substantial evidence" to demon-

strate that those suspensions were justified. To this date, the S. E. C. has given no reason for its suspensions of trading in Canadian Javelin Ltd. and since I do not know why the S. E. C. persists in suspending trading in Canadian Javelin Ltd. I cannot disprove ~~may~~ "facts" upon which the suspensions are based. As I understand the Court of Appeals decision, the hearing which I have demanded should commence with testimony by the S. E. C. for the purpose of meeting the burden of proof which is properly on the S. E. C. to demonstrate that the suspensions of trading are legal. Only after cross examination of the S. E. C.'s witnesses will I be in a position to know why the S. E. C. has suspended trading in Canadian Javelin Ltd. in the first instance and only then will I be in a position to rebut this testimony.

2. In any event, regardless of what testimony might be given by witnesses for the S. E. C., it is clear that the suspensions are illegal and constitute an abuse of my due process rights. I am the owner of 13 shares of Canadian Javelin Ltd. In the past I engaged in substantial purchases and short sales of shares of Canadian Javelin Ltd particularly during 1973 prior to the November 29, 1973 suspension of trading. The Court of Appeals has already decided that because of these circumstances I am an aggrieved person and have standing to review the suspension orders in question. After the suspension of November 29, 1973 the S. E. C. proceeded to make successive ten day orders of suspension. Except for a three month period in early 1975, the S. E. C. has suspended trading in Canadian Javelin Ltd on a continuous basis and that suspension continues to be in effect until this day. This is clearly a violation of Section 12(k) of the Securities Exchange Act of 1934 (15 U.S.C. 781 (k)) which gives the S. E. C. the power to suspend trading for not more than ten (10) days. Thus, the suspensions of trading are illegal regardless of what reason the S. E. C. may give to justify the suspensions.

3. Except for a brief period in late 1973, Canadian Javelin Ltd. has traded on a continuous basis on the Montreal Stock Exchange. Its present price is between \$1.50 and \$2.00 per share. Canadian Javelin Ltd. has approximately 12,000 stockholders who are citizens or residents of the United States. During the brief period in which it was allowed to trade in early 1975, Canadian Javelin Ltd. was frequently listed as one of the ten most actively traded securities on the American Stock Exchange. In spite of the trading suspensions Canadian Javelin Ltd. is to this date listed on the American Stock Exchange.

4. Canadian Javelin Ltd. has been mailing annual and quarterly earnings reports to all stockholders including myself on a regular basis. Prior to the 1973 suspension, Canadian Javelin Ltd. did not mail quarterly reports to its stockholders. Thus, Canadian Javelin Ltd. has provided more complete information to its stockholders when trading was suspended than it did prior to the suspension.

5. The most recent annual report issued by Canadian Javelin Ltd. contains an earnings statement and a balance sheet both of which are certified by the accounting firm Lee & Martin. The income statement shows that Canadian Javelin Ltd. had revenues of \$7,619,330 during the year of 1974 and net income of \$1,912,253 which amounts to \$0.27 per share on a fully diluted basis. The balance sheet shows that Canadian Javelin Ltd. has shareholders' equity of \$47,242,117 which works out to a book value of \$6.58 per share.

6. The six month earnings reports for 1975 shows revenues of \$3,198,884, net income of \$303,623 and a profit of \$.04 per share. The nine months earnings report for the quarter ending September 30, 1976 shows revenues of \$3,834,105 and a loss of \$828,976 which amounts to \$0.116 per share. The annual report for the year 1975 is not yet due.

7. From this and from other facts reported in the annual and quarterly reports of Canadian Javelin Ltd. and from documents filed with the S.E.C. it is apparent that Canadian Javelin Ltd. is a substantial company. Indeed, there appears to be no possible justification for the current series of suspensions. It appears, however, that officers of Canadian Javelin Ltd. have actively attempted to influence the S.E.C. in an effort to bring about the continued suspension of trading. In fact, when the S.E.C. stated in early January, 1975 that it was going to lift the trading suspension, counsel for Canadian Javelin Ltd. applied for and obtained from United States District Judge Lloyd F. MacMahon in S.E.C. v Canadian Javelin Ltd. S.D.N.Y. 74 Civil 5074 an order which temporarily restrained the S.E.C. from lifting its suspension of trading. The rationale for this order was that many United States residents hold their Canadian Javelin Ltd. shares in margin accounts and that if the suspension of trading were lifted abruptly, a disorderly market would develop and most of the margin holders would be forced to sell. At present, however, Canadian Javelin Ltd. is trading for a much lower price than it was even in January, 1975 and it is clear that margin holders, most of whom probably bought their stock at \$10 per share or higher, would now either be required to sell or to put up more margin. Under these circumstances, the price of Canadian Javelin Ltd. would almost certainly go down. This would explain why officers of Canadian Javelin Ltd. who own substantial shares of that corporation would go to the expense of retaining counsel in order to bring about the continued suspension of trading in Canadian Javelin Ltd.

8. However, at the same time I would like to make a substantial investment in Canadian Javelin Ltd. at current prices but am prohibited from doing so because of the suspension of trading. Clearly, I am being injured as are all other persons who wish to buy and sell shares of Canadian Javelin Ltd. as opposed to margin holders who wish to do neither. It appears that the only individuals who do not wish the shares

A-93

of Canadian Javelin Ltd. to trade are officers and major stockholders of that corporation including principally John C. Doyle who is said to control Canadian Javelin Ltd. However, Mr. Doyle is not known to have been in the United States for about ten years and any shares owned by him are restricted or insider shares so it would appear that he would have no legal right to protest if the suspension of trading were lifted. It is ironic that by suspending trading in Canadian Javelin Ltd. the S. E. C. is aiding Mr. Doyle to the detriment of all United States stockholders of Canadian Javelin Ltd. Mr. Doyle has been accused many times of bribing government officials in Newfoundland and other places. This led former Canadian Prime Minister John Diefenbacher once to state: "Wherever John Doyle is, there is political fixing."

9. In the case of Canadian Javelin Ltd. every original suspension had occurred at a time when the price of the shares of Canadian Javelin Ltd. was dropping rapidly. In 1971 trading was suspended when adverse publicity caused a drop in the price of Canadian Javelin Ltd. shares. In 1972 trading was again suspended when an unfavorable article in the Wall Street Journal caused an abrupt three point drop in the price of Canadian Javelin Ltd. The 1973 suspension occurred after an October 25, 1973 unfavorable Wall Street Journal article which led Canadian Javelin Ltd. to request an immediate halt of trading and this halt was still in effect at the time of the S. E. C. suspension. Finally, in 1975 the price of Canadian Javelin Ltd. dropped rapidly from 10 3/4 to about 5 just prior to the S. E. C. suspension. These facts and the underlying circumstances demonstrate that no suspension has occurred because of a market manipulation or because the price was too high but, to the contrary, the S. E. C. has suspended trading in Canadian Javelin Ltd. in order to aid a manipulation of the market. It should be noted that every time the S. E. C. has suspended trading

the suspension has not been lifted until a date when the market for Canadian Javelin

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Ltd. shares on the Montreal Stock Exchange was strong and the price of these shares was subject to an immediate rise.

10. From these facts it is clear that the Canadian Javelin Ltd. suspensions have been timed in such a way as to cause benefit to John C. Doyle. This fact combined with a knowledge of Mr. Doyle's background has led me to the conclusion that in all probability Mr. Doyle is bribing a person or persons at the S. E. C. in order to bring about repeated suspensions of Canadian Javelin Ltd. I intend to develop facts at a hearing before the S. E. C. in an attempt to prove that this is the case. At this hearing it will be necessary to have the benefit of the testimony of those S. E. C. officials who are connected with the decision making process and therefore I request that I be given subpoena power if necessary to coerce this testimony.

11. In this petition I incorporate by reference the legal arguments found in my brief filed with the Court of Appeals in Sloan v S. E. C. 74-2457. The requisite number of copies of this brief have already been filed with the S. E. C.

WHEREFORE, I demand that the relief requested in this position be granted.

Samuel H. Sloan

Sworn to before me this
th day of February, 1976

NOTARY PUBLIC

MEMORANDUM

115

April 9, 1976

TO: The Commission

FROM: Office of the General Counsel

RE: The "petition" of Samuel H. Sloan that the Commission "review all orders of the suspension of trading in Canadian Javelin, Ltd. from November 29, 1973 to and including such date as this petition may be decided." Mr. Sloan demands that the Commission declare all of the previous Canadian Javelin trading suspensions illegal and that the Commission issue an order declaring that there will be no further suspensions of trading in Canadian Javelin Ltd.

RECOMMENDATION:

OTHER OFFICES AND DIVISIONS
CONSULTED: Division of Enforcement.

NOVEL, UNIQUE OR COMPLEX ISSUES

INVOLVED: This will be the initial use of the procedure recently adopted by the Commission for handling objections to summary trading suspensions.

Background

As the Commission will recall the United States Court of Appeals for the Second Circuit, in October, 1975, rejected Mr. Sloan's attack on summary trading suspensions based upon the Commission's representation that we would give a person who claimed to be aggrieved by such a suspension an opportunity to be heard (Sloan v. Securities and Exchange Commission, C.A. 2, No. 74-2457). The Court indicated at that time that such a hearing should result in a record which could later be reviewed on appeal if that became necessary. As a result of that decision the Commission recently indicated that it would issue a release announcing the adoption of a procedure whereby a person claiming to be adversely affected by a suspension could petition the Commission

Facts

A black and white photograph of a document page. The page contains several lines of text, but most of it is obscured by thick, horizontal black redaction bars. There are approximately seven such bars of varying lengths, spanning across the width of the page. The text is otherwise illegible due to the redactions.

2/ This petition was filed in accordance with a staff instruction to Mr. Sloan, since he had previously attempted to obtain review by filing a copy of voluminous briefs and unsworn allegations he had filed in various court proceedings.

[REDACTED]

DFerber - 51170
MJStewart - 51224
FBWade - 51286

ATTACHMENTS:

- 1) Draft notice of suspension of trading and denial of petition for review.
- 2) Draft letter to Mr. Sloan.
- 3) Attachment A memorandum dated March 11, 1976.
- 4) Verified Petition for Review.
- 5) Mr. Sloan's affidavit in support of his petition.

157- Kewy 4/11/74
414 prompt response
414-444-4444
 777 Troy-Schen Rd.
 Latham, N.Y. 12110

May 8, 1974

RECEIVED

MAY 10 1974

OFFICE OF THE DIRECTOR
CORPORATION FINANCE

Mr. William S. Levenson, Director
 U.S. Securities and Exchange Commission
 400 ...
 Washington, D.C.

RE: Canadian Javelin Co.

Dear Mr. Levenson:

I am a stockholder of this company and right now I am confused on the SEC action that halted trading last October. This is the second such action on your part. Except for one news item in the paper, there hasn't been any information forthcoming since then. You are treating us unfairly with your silence and in the handling of this stock.

Unfortunately I did not keep any record of your holding actions and securities. It took a long time before you released the stock after the first halt, allowing the resumption of trading. As it was, your action depressed the stock price and it took some time before it recovered. I presumed that after your release that you were satisfied with the company's operations. Therefore, I continued to hold the stock on this presumption of your clearance. I did not realize the loss in value and the stock did not recover. Now, I feel your release turns out to have been a misdirection on your part, because you halted trading and, in some way, if not, the same complaint. Did you ever in releasing this stock prematurely expect causing stock holders to have confidence in said company's operations? I think you did. Is your second action really responsible for my current economic loss? It is, since the value has been severely depressed from a high of about 18 to a current Canadian price of about half that, at \$8.25.

I am writing Mr. Louis J. Lefkowitz, Attorney General, to assist me to obtain a full and complete answer to the following questions:

1. Unlawful, and in bad faith?
 2. Obstructionist and arbitrary.
- I am writing Mr. Lefkowitz to assist me in obtaining a full and complete answer to the following questions:

Yours truly,

Mr. Lefkowitz

cc: Mr. Louis J. Lefkowitz, Attorney General U.S.

Mr. M. Garabedian ^{CA}
777 Troy - Schenectady Road
Latham, New York 12110

Re: CANADIAN JAVELIN CO. 01867


Dear Mr. Garabedian:

Mr. Levenson has asked me to acknowledge receipt of your letter of May 8, 1974 concerning the subject company.

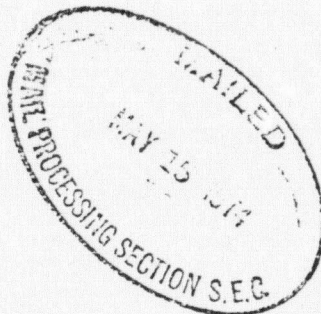
Inasmuch as the matters discussed in your letter are within the area of responsibility of the Commission's Division of Enforcement, we have referred your letter to that Division for response.

If we may be of assistance in any other matter, do not hesitate to write.

Sincerely yours,


William J. Kurz
Branch Chief

JRH:jilian (dew)
Kurz #7



RECEIVED

DAN A. H. OLSON
P. O. BOX 1062

REDONDO BEACH, CALIFORNIA 90278

DIVISION OF ENFORCEMENT

NOVEMBER 28, 1973

CHAIRMAN'S OFFICE
RECEIVED

DEC 3 1973

DEC 03 1973

RECEIVED

Mr. Ray Garrett Jr., Chairman
Securities & Exchange Commission
500 N. Capitol St.
Washington, D. C. 20549

Dear Mr. Garrett,

SEC. & EXCH. COMM.

I am writing you to protest the continued outrageous suspension by the SEC of Canadian Javelin from trading on the AMSE. It has now reached five weeks.

Here are the facts as I understand them: Canadian Javelin is actively pursuing mining business in Panama. It has one large copper-molybdenum orebody under development under a subsidiary called Cerro Colorado. This will be a gigantic affair.

Another Javelin subsidiary, Oltenia S.A., held 97,452 hectare of land in Panama. A third subsidiary, Pavonia S.A., made application for 80,761 hectares. Both these areas fell under Class "C" exploration rights under Panamanian law, and is a different classification than that applicable to the Cerro Colorado area.

Now, Panamanian law limits any one company to no more than 100,000 hectares. Javelin believed, therefore, that it was in the clear. However, since both Oltenia and Pavonia are subsidiaries of Javelin, Panama officials ruled that Oltenia and Pavonia together could hold only 100,000 hectares. Consequently, both of these companies had to drop some of their land to comply with the law. From the news reports in the press, in all this mismanaging Javelin officials acted in good faith.

However, for some strange reason, the SEC saw fit to treat this tempest in a teapot as though Javelin officials had committed some terrible crime or breach of trust by suspending it from trading. There was no real justification for suspending it at all in the first place, but to continue the suspension now for five weeks already is just vindictiveness at its worst. As a result of this long suspension Javelin shares have dropped from about \$15 down to \$7 on the Canadian Stock Exchange. What a rotten business!

If the SEC really wants to go after something worthwhile, why doesn't it suspend Goodyear Tire & Rubber, American Shipbuilding, American Airlines, Braniff Airways, Gulf Oil and Ashland Oil? All these companies have been found to have made ILLEGAL contributions to reelect the president in 1972. That would make some sense.

Yours truly,

A-101

Dan A. H. Olson

Mr. Dan A. H. Olson
P.O. Box 1052
Redondo Beach, California 90278

Re: Canadian Javelin Limited

Dear Mr. Olsen:

This is in response to your earlier letter to Chairman Garrett. I am enclosing for your consideration a copy of a litigation release which was issued contemporaneously with the filing by the Commission of a civil injunctive action against Canadian Javelin Limited, John C. Doyle and William Wisner. I believe the release will answer most of your questions.

If I can be of any further assistance please do not fail to get in touch with me.

Sincerely,

Larry B. Grimes
Branch Chief

By: W. Michael Drake
Attorney

Enclosure
LEGrimes
WMDrake/db
(58792)

1-29-74

December 17
19 73

S.E.C.
Washington
D.C.

Attention: Commissioner

DEC 21 1973

Gentlemen:

On Monday, December 17th, I placed a call to your office to make inquiry concerning Canadian Javelin. I wanted information concerning my inability to trade in this stock in which I hold a substantial position. I was told that the party who could furnish me with the same was not available, and a request was made for my telephone number so that a return call could be made to me.

It is now 2-1/2 hours later and I have not had the courtesy of a response to this call. I trust that this is not a common procedure in one of the important offices of our Government.

I am further lodging a complaint at the actions of the Commission in restricting my buying or selling this stock as well as my inability to do any trading in the same in either Montreal or Vancouver, based on certain allegations concerning the president, Mr. Doyle. I am not concerned with Mr. Doyle as such, but rather with my holdings as a stockholder in this corporation. While I have not fully determined my course of action relative to the stock I hold, it may be that I desire to establish a tax loss for the year 1973. On the other hand, I may desire to purchase more of this stock and even-out my position.

It would appear that an injustice is being perpetrated by the Commission as far as the U.S. stockholders are concerned, especially since the Canadian authorities have seen fit to resume trading in this issue, and in the interest of fairness to the American investors, decisive action should be instigated immediately with reference to the foregoing.

Very truly yours,

ROC:bg
cc Bache & Co.
Att: L. Arnow

105
FEB 14 1974

3203

Canadian Javelin Limited

This is in response to your letter received by the Commission on December 20, 1973, regarding the subject company. We apologize for not returning your call.

Enclosed are copies of Securities Exchange Act of 1934 Release Numbers 9111, 9125, 9528, 9715 and 10534 which outline the action taken by this Commission with respect to Canadian Javelin.

We would like to point out that the Commission considers very carefully many factors prior to suspending trading in any security. A suspension of trading is ordered only when it is deemed appropriate and in the interest and protection of the investors. The suspension of trading in the stock of Canadian Javelin is still in effect and we cannot predict when it will be lifted. You may be assured that when the Commission deems it appropriate and in the public interest, the suspension will be lifted and trading will be resumed, at which time a public release will be issued.

Judicial remedies are available to investors who purchase securities sold in violation of the Federal securities laws. However, we do not have the authority to become involved in, render legal assistance, or give advice with respect to private actions which arise from the same set of facts. The institution of an action by the Commission does not preclude individuals from pursuing any private rights of action available to them.

Page Two

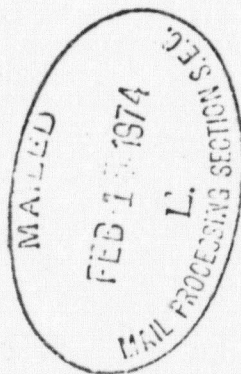
We trust this information is helpful to you.

Sincerely yours,



Frank J. Donaty, Jr., Chief
Section of Complaint Processing

Enclosures
SDF/emw
132-3



A-105

EXHIBIT "2"

86,104

New SEC Rulings
Canadian Javelin, Ltd.

636 4-7-76

"doing business" requirements of Rule
147(c)(2)(i)(A).

[§ 80,417] Canadian Javelin, Ltd.

Securities and Exchange Commission, Division of Market Regulation, December 16, 1975. (Available January 15, 1976). Correspondence in full text.

Exchange Act—Suspension of Trading—Transactions Effected by Broker-Dealer.—A broker-dealer's purchase of attached shares of a Canadian company, subject to a suspension of all trading in the United States, at a public auction held to satisfy a judgment of the broker-dealer, and the subsequent sale of the purchased shares in Canada, would be transactions effected by a broker-dealer within the meaning of Section 12(k) of the Securities Exchange Act. The broker-dealer had attached the shares as security for a debit balance, resulting from a mandatory buy-in, in the account of a broker-dealer allegedly engaging in improper transactions in the company's securities, and subsequently obtained a judgment against the debtor. The Commission suspended all trading in securities of the issuing company and more recently suspended trading for additional ten day periods pursuant to Section 12(k). The broker-dealer proposed to bid for the stock up to a limit approximating its current market price in Canada, and, if the firm was a successful bidder, it would immediately attempt to sell the shares in Canada.

See § 23,371, "Exchange Act—Registration; Reports" division, Volume 2.

Exchange Act—Suspension of Trading—Transactions Effected by Broker-Dealer.—The SEC staff would not recommend enforcement action if a broker-dealer limits its activities to purchasing attached shares of a Canadian company, subject to a suspension of all trading in the United States, at a sheriff's public auction held to satisfy a judgment of the broker-dealer, and thereafter to selling such shares in Canada, or to receiving the net proceeds of the auction of such shares (in the event that the shares are purchased by another bidder). The broker-dealer must act in good faith at all times and, along with the other parties to the proposed sale, have no connection with activities announced by the Commission as the basis for the suspension of trading.

See § 23,371, "Exchange Act—Registration; Reports" division, Volume 2.

[SEC Staff Reply]

This is in response to your letter of September 24, 1975, and subsequent telephone conversations concerning a proposed sale of 1,000 shares of the common stock of Canadian Javelin, Ltd. ("Canadian Javelin") by your client. We understand the following facts to be pertinent:

Canadian Javelin is a Canadian company, many of whose shareholders are United States citizens. On November 29, 1973, the Commission suspended all trading in the United States in the securities of Canadian Javelin pursuant to Sections 15(c) 5) and 19(a)(4) of the Securities Exchange Act of 1934 (the "Act"). The trading suspension has been ordered by the Commission for additional ten day periods, most recently pursuant to Section 12(k) of the Act, as amended by the Securities Acts Amendments of 1975 (P.L. 94-29, June 4, 1975), and is still in effect. You state that Canadian Javelin common shares are still traded in Canada.

Your client, Edwards & Hanly, is a registered broker-dealer. Samuel H. Sloan &

Co. ("Sloan"), a registered broker-dealer, purported to sell short 4,000 shares of Canadian Javelin common stock through Edwards & Hanly. Edwards & Hanly was notified by the American Stock Exchange that Sloan's sales were allegedly improper, whereupon Edwards & Hanly bought in the 4,000 shares of Canadian Javelin common stock for Sloan's account. These transactions resulted in a debit balance in Sloan's account of \$6,411.42.

Sloan thereafter delivered 1,000 Canadian Javelin shares to Edwards & Hanly, which attached the shares as security for Sloan's debit balance under an Order of Attachment issued by the New York Supreme Court, New York County. Since September, 1973, the Canadian Javelin shares have been held by the Sheriff of New York County. On May 27, 1975 the New York Supreme Court, Appellate Division, First Department, granted a judgment in the sum of \$5,662.50 to Edwards & Hanly. Sloan has appealed from this decision.

Edwards & Hanly desires to sell the attached Canadian Javelin shares in Canada

§ 80,417

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for the purpose of satisfying its judgment against Sloan. It is proposed that, pursuant to New York law, the Sheriff of New York County will conduct a public auction to sell the stock. Edwards & Hanly proposes to bid for the stock up to a limit approximating its current market price in Canada, and, if the firm is the successful bidder, it would immediately attempt to sell the shares in Canada. If another bidder purchased the shares at the auction, Edwards & Hanly would, as judgment creditor, receive the net proceeds of the sale.

Section 12(k) of the Act, as amended, authorizes the Commission summarily to suspend trading in any security for a ten day period and provides that no broker or dealer shall make use of the facilities of interstate commerce to effect any transaction in, or induce the sale or purchase of, any security in which trading is so suspended. In our opinion the proposed purchase and sale of Canadian Javelin shares would be transactions effected by a broker-dealer within the meaning of Section 12(k) of the Act.

Nonetheless, if Edwards & Hanly limits its activities to purchasing the Canadian Javelin shares at a sheriff's public auction and thereafter to selling such shares in Canada, or to receiving the net proceeds of the auction of such shares (in the event that the shares are purchased by another bidder), the staff will not recommend that the Commission take enforcement action under Section 12(k) of the Act. Edwards & Hanly must be acting in good faith at all times, and, along with the other parties to the proposed sale, have no connection with the activities announced by the Commission as the basis for suspending trading in Canadian Javelin securities. Finally, in deciding whether to engage in such conduct, Edwards & Hanly must consider all other relevant provisions of the federal securities law.

[Letter of Inquiry]

In accordance with our telephone conversation, we wish, on behalf of our client, Edwards & Hanly, to request a no-action letter from the staff of the Commission in connection with a proposed sale by our client of 1,000 shares of common stock of Canadian Javelin Ltd. in Canada. We are advised that trading in said stock is suspended in the United States.

The facts upon which we base our request for such a no-action letter are as follows:

On July 17, 1973, Samuel H. Sloan, d/b/a Samuel H. Sloan & Co. purported to sell, through Edwards & Hanly, 2,000 shares of Canadian Javelin common stock. An addi-

tional 2,000 shares of Canadian Javelin were purported to be sold on July 25, 1973. As is well known to the Commission, Mr. Sloan was, at that time, engaged in the improper short-selling of Canadian Javelin stock through many brokerage firms.

Edwards & Hanly was notified by the American Stock Exchange of Mr. Sloan's improper activities and proceeded to buy in the 4,000 shares of Canadian Javelin for Mr. Sloan's account and risk. The mandatory buy-in resulted in a debit balance in Mr. Sloan's account with Edwards & Hanly of \$6,611.42.

The mandatory buy-in of Mr. Sloan's account was accomplished without notice to Mr. Sloan for reasons, again, known to the Commission. Following the buy-in, Mr. Sloan inexplicably delivered 1,000 shares of Canadian Javelin to Edwards & Hanly with the request that the delivery be against immediate payment. The cashier at Edwards & Hanly, not knowing about the buy-in the day before, accepted the stock. Thereafter, communications were had within Edwards & Hanly. The fact of the buy-in and the loss was established, and Edwards & Hanly determined to assert a lien on the 1,000 shares of Canadian Javelin as security for the loss it sustained.

Thereafter, Edwards & Hanly caused an Order of Attachment to be issued by the Supreme Court, New York County, for the purpose of attaching the 1,000 shares of Canadian Javelin stock as security for the debt. Since September, 1973, the 1,000 shares of Canadian Javelin in question have been held by the Sheriff of New York County under said Order of Attachment.

Following lengthy litigation between Edwards & Hanly and Mr. Sloan concerning Edwards & Hanly's claim and certain counterclaims asserted by Mr. Sloan, on May 27, 1975, the Appellate Division, First Department, entered an order granting Edwards & Hanly a judgment in the sum of \$5,662.50. The decision of the Appellate Division is reported at 48 A.D. 2d 644, 368 N.Y.S. 2d 218 (First Department, 1975).

It should be noted that Mr. Sloan, simultaneously with pursuing litigation in the State Courts, pursued the same litigation in the Federal Courts. His complaint against Edwards & Hanly in that forum was dismissed by order of Judge Bensal, see CCH 73-74 Transfer Binder, ¶ 94,579 (S.D.N.Y. 1974).

Mr. Sloan has appealed the order of the Appellate Division to the New York State Court of Appeals and the order of Judge

Bonsal to the United States Court of Appeals for the Second Circuit.

Since Edwards & Hanly now has a judgment in its favor, it wishes to execute upon the 1,000 shares of Canadian Javelin currently held by the Sheriff of New York County, and to sell the same to partially satisfy the judgment in question.

As is apparent from the foregoing recitation, Edwards & Hanly has been forced to become involved in expensive and protracted litigation with Mr. Sloan and, apparently, Mr. Sloan intends to continue the litigation with continuing expense and inconvenience. If, however, Edwards & Hanly is permitted to sell the shares of stock which have been attached and thereby to satisfy its judgment, many of the real and fictitious issues which Mr. Sloan proposes to raise in further litigation will be obviated. For example, Mr. Sloan wants to attack the Constitutionality of the New York Attachment Statute, which an execution and sale of the stock would render moot.

By reason of the foregoing, Edwards & Hanly believes that the sale of the stock in question at the present time is necessary to

avoid continuing substantial expenditures of legal time and effort in litigating with Mr. Sloan, as well as to realize some recovery on the judgment in its favor, which has taken so long to obtain.

Should the staff of the Commission determine that it would take no action should Edwards & Hanly sell the stock, the Sheriff of New York County, under New York law, would conduct a public auction to sell the stock. Edwards & Hanly would bid for the stock up to a limit approximating its current price in Canada, and if Edwards & Hanly were the successful bidder, the stock would be transmitted to Canada for immediate sale. Of course, should another party desire to compete in bidding for the stock, the ultimate proceeds would, nonetheless, be received by Edwards & Hanly as judgment creditor.

For the foregoing reasons, we respectfully request, on behalf of Edwards & Hanly, that the staff of the Commission issue a no-action letter so as to permit Edwards & Hanly to sell the stock in question and, hopefully, to terminate time-consuming and frivolous litigation with Mr. Sloan.

[§ 80,418] *Debevoise, Plimpton, Lyons & Gates.*

Securities and Exchange Commission, Division of Market Regulation. October 3, 1975. (Available November 3, 1975). Correspondence in full text.

Exchange Act—Trading by Members—Arbitrage Transactions.—"Any bona fide arbitrage transaction," whether effected by a member of a national securities exchange for his own account, the account of an associated person or for an account with respect to which it or an associated person thereof exercises investment discretion, is exempt under Section 11(a)(1)(D) of the Securities Exchange Act, from the prohibitions against trading by members for their own account.

See § 22,801, "Exchange Act—Manipulations" division, Volume 2.

[SEC Staff Reply]

This is in response to your letter of August 15, 1975, requesting an interpretation with respect to the application of subparagraph D of Section 11(a)(1) of the Securities Exchange Act of 1934 (the "Exchange Act"), as amended by the Securities Acts Amendments of 1975.

Section 11(a)(1) makes it unlawful for any member of a national securities exchange to effect any transaction on such exchange for its own account, the account of an associated person,¹ or an account with respect to which it or an associated person thereof exercises investment discretion. Subparagraph D of that Section exempts from this prohibition, however, certain enumerated transactions, including bona fide arbitrage transactions. In our view, the exemptive language of

Subparagraph D applies to "any bona fide arbitrage transaction," whether effected by a member for his own account, the account of an associated person or for an account with respect to which it or an associated person thereof exercises investment discretion.

— Footnote —

¹ Section 3(a)(21) of the Exchange Act defines the term "person associated with a member" or "associated person of a member", when used with respect to a member of a national securities exchange or registered securities association, to mean any partner, officer, director, or branch manager of such member (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with such member, or any employee of such member.

1976, Commerce Clearing House, Inc.

EXHIBIT "3"

In the Supreme Court of the United States
OCTOBER TERM, 1975

No. 75-1507

SAMUEL H. SLOAN, PETITIONER

v.

SECURITIES AND EXCHANGE COMMISSION

*ON PETITION FOR A WRIT OF CERTIORARI TO
THE UNITED STATES COURT OF APPEALS FOR
THE SECOND CIRCUIT*

BRIEF FOR THE SECURITIES AND EXCHANGE
COMMISSION IN OPPOSITION

OPINION BELOW

The opinion of the court of appeals (Pet. App. 1-A to 4-A) is reported at 527 F.2d 11.

JURISDICTION

The judgment of the court of appeals was entered on October 15, 1975. A petition for rehearing was denied on January 21, 1976 (Pet. App. 5-A). The petition for a writ of certiorari was filed on April 19, 1976. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

QUESTIONS PRESENTED

1. Whether a person claiming to be aggrieved by orders of the Securities and Exchange Commission suspending trading for successive 10-day periods in the

(1)

common stock of a corporation may obtain review in the court of appeals without first seeking relief from the Commission.

2. Whether the Commission is precluded from renewing a summary 10-day suspension.

3. Whether the foregoing issues have become moot because no order summarily suspending trading is any longer in effect.

STATUTES INVOLVED

Section 19(a) of the Securities Exchange Act of 1934, 48 Stat. 898, 15 U.S.C. 78s(a), in effect when the trading suspension orders were issued, provided in pertinent part:

The Commission is authorized, if in its opinion such action is necessary or appropriate for the protection of investors—

* * * * *

(4) And if in its opinion the public interest so requires, summarily to suspend trading in any registered security on any national securities exchange for a period not exceeding ten days, or with the approval of the President, summarily to suspend all trading on any national securities exchange for a period not exceeding ninety days.

When these orders were entered, Section 15(c)(5), 48 Stat. 895, as amended, 15 U.S.C. 78o(c)(5), provided:

If in its opinion the public interest and the protection of investors so require, the Commission is authorized summarily to suspend trading, otherwise than on a national securities exchange, in any security (other than an exempted security) for a period not exceeding ten days. No broker or dealer shall make use of the mails or of any means or instrumentality

of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security in which trading is so suspended.

In amendments to the Securities Exchange Act that became effective on June 4, 1975, the Commission's suspension powers were consolidated in a new Section 12(k) of the Act, Pub. L. 94-29, 89 Stat. 118, 15 U.S.C. 78l(k), which is the basis for each trading suspension order issued since that date. The new Section 12(k) is set forth at Pet. 5.

STATEMENT

Petitioner sought review, in a court of appeals, of certain orders of the Securities and Exchange Commission that had summarily suspended trading in the common stock of Canadian Javelin, Limited ("CJL"). The petition for review challenged eight 10-day trading suspension orders that had been issued between November 29, 1973, and November 4, 1974 (Pet. App. 7-A). The court of appeals dismissed the petition, noting that the series of suspension orders continued only until January 26, 1975, and that when it heard argument a new series of suspension orders beginning on April 30, 1975, was in effect (Pet. App. 1-A to 2-A). The latter series of suspensions terminated on May 2, 1976, and no suspension order is now in effect.

Each of the Commission's orders issued during these periods suspended trading in CJL common stock for a period of 10 days, pursuant to statutory authority. Each of these trading suspensions was based upon an independent determination by the Commission that such suspensions were required in the public interest and for the protection of investors.

The court of appeals held that all of the claims in petitioner's "blunderbuss attack" were "frivolous," except for his contention that the Commission lacked the authority to issue successive 10-day suspensions for an indefinite period

(Pet. App. 3-A).¹ The court of appeals stated, however, that it could not decide the merits of that claim "on the record before us," because petitioner's pleadings covered "only the first series of suspensions, which have now terminated" (*ibid.*; emphasis in original), and because the record was "unclear" with respect to the reasons for the second series of suspensions. After noting that petitioner might wish to challenge the second series of suspensions as well as the first, and that the Commission was "willing * * * to grant [petitioner] some sort of administrative hearing, thus satisfying any possible exhaustion [of remedies] requirement while also contributing to the record," the court of appeals dismissed the petition for review "without prejudice to [petitioner's] repleading after an administrative hearing * * * from which judicial review may be sought" (Pet. App. 3-A, 4-A; footnote omitted).²

On or about March 15, 1976, prior to termination of the second series of trading suspensions, petitioner filed a petition with the Commission seeking review of all of the suspensions of trading in CJL securities from November 29, 1973, up to and including the date that his petition might be decided. He asked, among other things, that the Commission refrain from issuing any further suspensions of trading in the shares of CJL common stock and that the Commission declare that the previous trading suspensions

¹On March 4, 1976, the court of appeals, affirming the district court's dismissal of a complaint filed by petitioner, which, "[i]n effect * * * [challenged] the entire structure of securities regulation in the United States," reiterated its view that petitioner's "blunderbuss attack" on the Commission's authority in the instant case is "frivolous." *Sloan v. Securities and Exchange Commission*, No. 75-7283, decided March 4, 1976 (see Pet. App. 11-A).

²On April 23, 1976, petitioner filed in the court of appeals a petition for review of the trading suspension orders comprising the second series of suspensions. *Samuel H. Sloan v. Securities and Exchange Commission*, No. 76-4110.

were illegal. On April 21, 1976, after considering the matters contained in Mr. Sloan's petition, an affidavit submitted in support thereof, and the reasons for which the trading suspension orders had been issued, the Commission decided that the public interest and the protection of investors required it to suspend trading in CJL common stock for an additional 10 days.³ Accordingly, trading was suspended from April 23, 1976, until May 2, 1976, when the second series of suspensions terminated.⁴

³The Commission's notice reflecting its disposition (41 Fed. Reg. 17983-17984) is reproduced as Appendix A, *infra*, pp. 1a-3a. It explains that the first series of suspensions was based on the Commission's institution of a civil injunctive action, on November 29, 1973, alleging that CJL and certain of its principals had violated the federal securities laws in connection with the company's filing of false reports with the Commission and CJL's dissemination of "a series of press releases containing false and misleading information relating to its purported development of Panamanian mineral properties." With respect to the second series of suspensions then in effect, the Commission stated that it suspended trading "as a result of a lack of information concerning pending investigative action by Canadian regulatory authorities." In addition: (a) criminal informations returned in Canada indicated that CJL common stock "may have been artificially manipulated on two Canadian stock exchanges * * *"; (b) the Commission was "actively investigating, among other things, possible manipulation of the stock in the United States securities markets"; (c) private civil suits were pending in Canada concerning control of CJL and a Canadian provincial court had recently installed a new board of directors for the company; and (d) CJL had been delinquent, since March 31, 1976, "with respect to the filing of its 10-K report."

⁴On April 22, 1976, the Commission announced the adoption of informal procedures "by which any person adversely affected by a summary suspension pursuant to Section 12(k) of the Securities Exchange Act may obtain prompt consideration by the Commission of the reasons such person believes the continued suspension is not in the public interest or is not required for the protection of investors." Securities Exchange Act Release No. 12361, reproduced as Appendix B, *infra*, pp. 4a-5a. See also 41 Fed. Reg. 18290. Although the Commission announced the adoption of these procedures after announcing the disposition it had made of petitioner's petition, the criteria

ARGUMENT

The important question whether the Securities and Exchange Commission has the statutory authority to order successive 10-day trading suspensions is, as the court of appeals held, not ripe for review. Nor is review necessary, for not only is there no conflict among the circuits, but there never has been a determination of that question by any court, including the court of appeals in this case. What is more, because no order suspending trading in the stock of CJL is now in effect, this case may be moot.

1. The court of appeals correctly held that, before petitioner may obtain review of Securities and Exchange Commission orders suspending trading, he must first present his arguments to the Commission (Pet. App. 4-A).⁵ This Court has repeatedly held that judicial review must await completion of the administrative process.⁶ The court of appeals found (Pet. App. 4-A) that petitioner's failure to have sought relief from the Commission resulted in an

set forth in the Commission's release concerning the informal procedures were substantially followed in considering petitioner's objection to the CJL suspensions.

⁵At the time the petition for review was filed, Section 25(a) of the Securities Exchange Act, 48 Stat. 901, as amended, 15 U.S.C. 78y, provided:

No objection to the order of the Commission shall be considered by the court unless such objection shall have been urged before the Commission.

The Act, as amended in June 1975, now provides (Section 25(c)(1), 89 Stat. 159):

No objection to an order or rule of the Commission, for which review is sought under this section, may be considered by the court unless it was urged before the Commission or there was reasonable ground for failure to do so.

⁶See, e.g., *Renegotiation Board v. Bannerkraft Clothing, Inc.*, 415 U.S. 1, 20-25; *Securities and Exchange Commission v. Otis & Co.*, 338 U.S. 843.

"insurmountably sparse" record for it to review. Although the Commission had not then announced any procedures for objections to be made to 10-day trading suspensions of securities—such objections rarely having been made—the Commission had not declined to consider objections; indeed, the Commission considered the objections subsequently made by petitioner.

2. In any event, petitioner's claim that the Commission cannot suspend trading for successive 10-day periods is incorrect.⁷ When it enacted the Securities Exchange Act in 1934, Congress gave the Commission suspension power with respect to trading on national securities exchanges (Section 19(a)(4)), and the legislative judgment was reconfirmed in 1964 when this power was enlarged to reach trading in securities "otherwise than on a national securities exchange" (Section 15(c)(5)). These provisions were consolidated in amendments to the Securities Exchange Act that became effective in June 1975 (new Section 12(k), 89 Stat. 118).

Although these statutes do not expressly authorize the Commission to repeat the 10-day trading suspensions, Congress recognized that the Commission was so using its authority, and reenactment of the statute in light of this recognition is a strong indication that the power is consistent with the congressional will. When Congress expanded the Commission's authority in 1964 to embrace over-the-counter trading, the Senate Committee Report stated (S. Rep. No. 379, 88th Cong., 1st Sess. 66-67 (1963) (emphasis added)):

The availability of a prompt administrative hearing after suspension is begun, followed by prompt judicial review, satisfies the procedural requirements of the due process clause. See *Commissioner of Internal Revenue v. Shapiro*, No. 74-744, decided March 8, 1976, slip op. 14-18. See also Freedman, *Summary Action by Administrative Agencies*, 40 U. Chi. L. Rev. 1 (1972).

The Commission has consistently construed section 19(a)(4) as permitting it to issue more than one suspension if, upon reexamination at the end of the ten-day period, it determines that another suspension is necessary. The committee *accepts this interpretation*. At the same time the committee recognizes that suspension of trading in a security is a drastic step and that prolonged suspension of trading may impose considerable hardship on stockholders. The committee therefore expects that the Commission will exercise this power with restraint and will proceed with all diligence to develop the necessary facts in order that any suspension can be terminated as soon as possible.

3. No order of the Commission suspending trading in CJL stock is now in effect. Whether or not the Commission might ever again suspend trading in CJL stock is purely a matter of conjecture, as is the question whether petitioner, if that event should occur, would again claim to be aggrieved. Cf. *Securities and Exchange Commission v. Medical Committee for Human Rights*, 404 U.S. 403, 406. Accordingly, this case probably is moot.⁸

⁸Because each suspension lasts but 10 days, a challenge to a single suspension might survive the suspension's expiration if it raised issues "capable of repetition, yet evading review." *Weinstein v. Bradford*, 423 U.S. 147, 148-149; *Southern Pacific Terminal Co. v. Interstate Commerce Commission*, 219 U.S. 498. The suspensions of CJL stock have aggregated lengthy periods, however. Petitioner's reluctance to present his complaint to the Commission in the first instance, not the short duration of the Commission's orders, has frustrated effective judicial review here.

CONCLUSION

The petition for a writ of certiorari should be denied.
Respectfully submitted.

ROBERT H. BORK,
Solicitor General.

DAVID FERBER,
Solicitor to the Commission,

FREDERICK B. WADE,
Attorney,
Securities and Exchange Commission.

MAY 1976.

APPENDIX A
UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION
April 21, 1976

IN THE MATTER OF TRADING IN SECURITIES OF
CANADIAN JAVELIN LTD.
Securities Exchange Act of 1934 Section 12(k)

NOTICE OF SUSPENSION OF TRADING

On March 11, 1976, the Commission received a petition from Mr. Samuel H. Sloan seeking review of all of the suspensions of trading in Canadian Javelin Ltd. securities from November 29, 1973, to date. Mr. Sloan asked, among other things, that the Commission refrain from renewing the trading suspension of Canadian Javelin Ltd. and that the Commission declare that the previous trading suspensions were illegal.

Mr. Sloan states that he is the owner of 13 shares of Canadian Javelin Ltd., that in the past he has engaged in substantial purchases and short sales of shares of that stock, particularly during 1973 prior to a suspension of trading beginning on November 29, 1973.

On that date the Commission not only suspended trading of Canadian Javelin common stock, but also instituted a civil injunctive action against it and certain of its principals, charging violations of the registration and antifraud provisions of the Securities Act of 1933; of antifraud provisions of the Securities Exchange Act of 1934, as well as of annual and periodic reporting

1a

requirements of that Act. In addition, it was charged that false reports were filed with the Commission by Canadian Javelin Ltd. and that the company had disseminated a series of press releases containing false and misleading information relating to its purported development of Panamanian mineral properties. This resulted in a series of suspensions which concluded on January 26, 1975.

According to criminal informations returned in Canada, it appears that the common stock of Canadian Javelin may have been artificially manipulated on two Canadian stock exchanges, and that this was continuing after January 26, 1975. The Commission is actively investigating, among other things, possible manipulation of the stock in the United States securities markets. The Commission on April 29, 1975, again suspended trading as a result of a lack of information concerning pending investigative action by Canadian regulatory authorities.

In addition, a number of private civil suits are pending in Canada involving a dispute regarding control of the company. A Canadian provincial court recently issued an order installing a new board of directors and this order is now on appeal.

Mr. Sloan pointed out that the most recent annual report issued by by [sic] Canadian Javelin Ltd. contains an earnings statement and a balance sheet of Canadian Javelin Ltd., both of which are certified by the accounting firm of Lee & Martin. Since March 31, 1976, however, the company has been delinquent with respect to the filing of its 10-K report.

Mr. Sloan also contends that the trading suspension aids Mr. Doyle to the detriment of United States stockholders and concludes from this "that in all probability Mr. Doyle is bribing a person or persons at the SEC in order to bring about repeated suspensions of Canadian

3a

Javelin Ltd." The facts he alleges in no way support this speculation.

Accordingly, it appearing to the Securities and Exchange Commission that the summary suspension of trading in the securities of Canadian Javelin Ltd. being traded on a national securities exchange or otherwise is required in the public interest and for the protection of investors;

THEREFORE, pursuant to Section 12(k) of the Securities Exchange Act of 1934, trading in such securities on a national securities exchange or otherwise is suspended, for the period from April 23, 1976, through May 2, 1976.

By the Commission.

/s/ George A. Fitzsimmons

George A. Fitzsimmons
Secretary.

APPENDIX B
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SECURITIES EXCHANGE ACT RELEASE NO. 12361/
April 22, 1976

SUMMARY SUSPENSIONS

The Securities and Exchange Commission today announced the adoption of procedures by which any person adversely affected by a summary suspension pursuant to Section 12(k) of the Securities Exchange Act may obtain prompt consideration by the Commission of the reasons such person believes the continued suspension is not in the public interest or is not required for the protection of investors. Section 12(k) authorizes the Commission summarily to suspend trading in securities for 10-day periods, if in its opinion the public interest or the protection of investors so requires.

The usual purpose of a suspension is to alert the investing public to the fact that there is insufficient public information about the issuer upon which an informed investment judgment can be made or that the market for the securities may be reacting to manipulative forces or deceptive practices. Consequently the primary issues normally to be considered by the Commission in determining whether or not 10-day suspensions should be instituted or renewed are whether or not there is sufficient public information upon which to base an informed investment decision or whether the market for the security appears to reflect manipulative or deceptive activities.

If any person adversely affected by such suspension or who would be adversely affected by the renewal of the suspension desires to show that such suspension is not

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necessary in the public interest or for the protection of investors, he may petition the Commission that it not renew the suspension. Such petition, which may be in the form of a letter or other statement, should set forth with particularity the facts upon which petitioner relies and should be sworn to by the petitioner or an authorized officer of the petitioner.

If the petitioner so requests in the petition, and if upon examination of the petition the Commission is of the opinion that there is a genuine issue as to any material fact, the Commission will provide an opportunity for prompt presentation of all material facts. If no such opportunity is requested in the petition or if in the opinion of the Commission there is no genuine issue as to any material fact, the Commission will determine the issue upon the basis of the information contained in the petition and any other relevant facts known to the Commission.

The Commission will not be disposed to grant any such petition if the petitioner or any one affiliated with the petitioner shall fail to cooperate in supplying relevant information to the Commission or shall in any way obstruct any inquiry by the Commission into the relevant facts.

By the Commission.

/s/ George Fitzsimmons

George Fitzsimmons
Secretary

STATE OF NEW YORK)
 : SS.
COUNTY OF NEW YORK)

ROBERT BAILEY, being duly sworn, deposes and says, that deponent is not a party to the action, is over 18 years of age and resides at 286 Richmond Avenue, Staten Island, N.Y. 10302. That on the 2 day of August 1976 deponent served the within affidavit upon:

William Bailey, Securities & Exchange Commission

attorney(s) for

in this action, at

500 W. Capital St.

Washington, D.C. 20540

the address(es) designated by said attorney(s) for that purpose by depositing 2 true copies of same enclosed in a postpaid properly addressed wrapper, in an official depository under the exclusive care and custody of the United States post office department within the State of New York.

Robert Bailey
Robert Bailey

Sworn to before me, this 2
day of Aug, 1976.

William Bailey
WILLIAM BAILEY
Notary Public, State of New York
No. 43-0132945
Qualified in Richmond County
Commission Expires March 30, 1977